

SETTLEMENT AND RELEASE AGREEMENT

INTRODUCTION

1. This agreement is made as of _____, 2014, by and between Plaintiff GABRIEL MOSES CARRILLO ("Plaintiff"), an individual and Defendants DEPUTY PANTAMITR ZUNGGEEMOGE, DEPUTY SUSSIE AYALA, DEPUTY FERNANDO LUVIANO, DEPUTY NOEL WOMACK, DEPUTY ANTHONY REED, SERGEANT ERIC GONZALEZ, CAPTAIN DANIEL CRUZ, CAPTAIN DUANE HARRIS, and the COUNTY OF LOS ANGELES ("Defendants"), (collectively referred to herein as the "Parties")

RECITALS

2. Plaintiff is an individual who is a party in lawsuit Case No. CV 12-02609, entitled Gabriel Moses Carrillo v. Deputy Pantamitr Zunggeemoge, Deputy Sussie Ayala, Deputy Fernando Luviano, Deputy Noel Womack, Deputy Anthony Reed, Sergeant Eric Gonzalez, Captain Daniel Cruz, Captain Duane Harris, County of Los Angeles (hereinafter Carrillo v. County of Los Angeles, et. al.) in the United States District Court of California, County of Los Angeles.

3. The Parties hereto desire to resolve all claims, issues and disputes raised in Carrillo v. County of Los Angeles, et. al. Case No. CV 12-02609, without the further expenditure of time or expense of litigation and for this reason, have entered into this agreement. While this Agreement resolves all claims, issues and disputes between the Parties, it does not constitute an admission by Defendants, or anyone working on their behalf, of wrongdoing in connection with the allegations and claims of Plaintiff of any federal, state, or local law, ordinance or regulation, or of any violation, of any liability or any wrongdoing whatsoever. It is understood and agreed that this settlement is the compromise of a disputed claim, that there is no prevailing party, and that the payment made is not to be construed as an admission of liability on the part of the Defendants hereby released, and the Defendants expressly deny liability and intend merely to avoid litigation and buy their peace. Neither this Agreement nor anything in this Agreement shall be construed to be, or shall be, admissible in any proceeding as evidence of liability or wrongdoing by Defendants or any of its agents, and in fact, any wrongdoing by Defendants is

hereby expressly disclaimed. This Agreement may be introduced, however, in a proceeding to enforce provisions and/or intent of this Agreement.

4. In order to resolve all issues, claims, and disputes in or related in any manner to the allegations set forth or which could have been set forth in Case No. CV 12-02609, entitled Carrillo v. County of Los Angeles, et. al., the County of Los Angeles shall pay the sums outlined below:

A. \$800,000.00 to: Kaye, McLane, Bednarski & Litt, LLP

Which will be deposited into Kaye, McLane, Bednarski & Litt's Trust Account.

Employer Identification No. 46-1717567

B. Periodic payments made according to the schedule as follows: (the "Periodic Payments"):

Payee: Gabriel Carrillo

\$1,410.00 monthly payable for the life of Gabriel Carrillo, beginning July 1, 2014 with 30 years guaranteed. Last guaranteed payment is due on June 1, 2044.

All sums set forth herein constitute damages on account of personal physical injuries or sickness, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986 as amended. However, it is expressly understood by and between the parties that the Defendants make no representation with regard to the tax consequences of this transaction. It is further understood that no portion of the settlement proceeds represent exemplary or punitive damages, nor prejudgment or post judgment interest, but that such claims are nonetheless being released by Plaintiff.

5. **Payee's Rights to Payments**

Plaintiff acknowledges that the Periodic Payments cannot be accelerated, deferred, increased or decreased by the Plaintiff or any payee; nor shall the Plaintiff or any Payee have the power to sell, mortgage, encumber, or anticipate the Periodic Payments, or any part thereof, by assignment or otherwise, except as pursuant to a qualified order under IRC Section 5891.

6. **Payee's Beneficiary**

Any payments to be made after the death of any Payee pursuant to the terms of this Settlement Agreement shall be made to such person or entity as shall be designated in writing by Plaintiff to the Defendants' Assignee. If no person or entity is so designated by Plaintiff, or if the person designated is not living at the time of the Payee's death, such payments shall be made to the estate of the Payee. No such designation, nor any revocation thereof, shall be effective unless it is in writing and delivered to the Defendants' Assignee. The designation must be in a form acceptable to the Defendants' Assignee before such payments are made.

7. **Consent to Qualified Assignment**

A. Plaintiff acknowledges and agrees that the Defendants may make a "qualified assignment", within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, of the Defendants' liability to make the Periodic Payments set forth in Section 4(B) to BHG Structured Settlements, Inc. ("the Assignee"). The Assignee's obligation for payment of the Periodic Payments shall be no greater than that of Defendants (whether by judgment or agreement) immediately preceding the assignment of the Periodic Payments obligation.

B. Any such assignment, if made, shall be accepted by the Plaintiff without right of rejection and shall completely release and discharge the Defendants from the Periodic Payments obligation assigned to the Assignee. The Plaintiff recognizes that, in the event of such an assignment, the Assignee shall be the sole obligor with respect to the Periodic Payments obligation, and Plaintiff agrees that such assignment shall constitute a full release and discharge of all of Defendants' obligations relative to the Periodic Payments set forth above.

8. **Right to Purchase an Annuity**

The Defendants, itself or through BHG Structured Settlements, Inc. ("Assignee") reserve the right to fund the liability to make the Periodic Payments in Section 4(B) through the purchase of an annuity policy from Berkshire Hathaway Life Insurance Company of Nebraska ("Annuity Issuer"). The Assignee shall be the sole owner of the annuity policy and shall have all rights of

ownership. The Assignee may have the Annuity Issuer mail payments directly to the Payee(s). The Plaintiff shall be responsible for maintaining a current mailing address for Payee(s) with the Annuity Issuer.

9. **Discharge of Obligation**

The obligation assumed by Assignee with respect to any required payment shall be discharged upon the mailing of a check or electronic funds transfer on or before the due date of a valid payment in the amount specified to the address of record. In the event Payee notifies the Assignee that a check has not been received, or that an electronic transfer has not been deposited, Assignee will initiate a stop payment action, and, upon confirmation that such check has not been negotiated or electronic funds transfer deposited, Assignee shall issue a replacement check or electronic funds transfer.

10. Upon execution of this agreement, Plaintiff does hereby release, acquit and forever discharge Defendant, County of Los Angeles, and its agents, employees including but not limited to Deputy Pantamitr Zunggeemoge, Deputy Sussie Ayala, Deputy Fernando Luviano, Deputy Noel Womack, Deputy Anthony Reed, Sergeant Eric Gonzalez, Captain Daniel Cruz, Captain Duane Harris, attorneys, member agencies, officers directors, servants, successors, heirs, executors, administrators and all other persons, firms, corporations, associations or partnerships from any and all claims, actions, causes of action, demands, rights, damages, costs, attorney's fees, loss of service, expenses and compensation whatsoever, which the undersigned now has or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen bodily and personal injuries, property damage, or any other cause, and the consequences thereof resulting or to result from the incident, casualty or event which allegedly occurred on or about February 26, 2011 and which was the subject of the lawsuit referenced in paragraph 2 herein above. Plaintiff and his attorneys, Kaye, McLane, Bednarski & Litt, LLP agree to indemnify and hold harmless the Defendants from any and all liens, including but not limited to any Worker's Compensation liens related to the subject incident.

11. This agreement has no bearing on any state or federal criminal matter, potential or existing, including, but not limited to *United States v. Eric Gonzalez, et al.*, CR 13-574-GHK. This includes, but is not limited to, the imposition of any fine, penalty, restitution or forfeiture by a criminal court related to the underlying events of February 26, 2011. Further, this agreement does not preclude Plaintiff from participating in any current or future criminal prosecution, grand jury proceeding, or any administrative or legislative matter relating to the underlying events of February 26, 2011.

12. Plaintiff and his attorneys of record Kaye, McLane, Bednarski & Litt, LLP expressly warrant that any outstanding unpaid hospital liens, medical insurance subrogation claims, Medicare or Medicaid liens, or other encumbrances against the Claims and Causes of Action being released shall be solely the responsibility of the Plaintiff and his attorneys of record, Kaye, McLane, Bednarski & Litt, LLP. Plaintiff expressly agrees that the Defendants shall have no liability or obligation for the payment of any such liens, subrogation claims or other encumbrances.

It is expressly understood and agreed that the Defendants will not pay or be responsible for paying any doctor, hospital, drug, or other expense incurred by, for, or on behalf of Plaintiff which has been incurred in the past and remains unpaid as of the date of this Agreement, and that continue to accrue in the future.

Plaintiff further warrants and represents that no benefits have been requested from or paid by Medicare/Medi-Cal for the treatment of Plaintiff arising from the incident which is the subject of this Action/Lawsuit and/or the matters released. Further, Plaintiff represents and warrants that he does not have a reasonable expectation of Medicare/Medi-Cal entitlements within 30 months of the settlement of this Action/Lawsuit. Plaintiff agrees to release any right to bring any possible future action, at law, equity, ADR or administrative proceeding under the Medicare Secondary Payer statute against the County of Los Angeles and or its agents, employees (including but not limited to Deputy Pantamitr Zunggeemoge, Deputy Sussie Ayala, Deputy Fernando Luviano, Deputy Noel Womack, Deputy Anthony Reed, Sergeant Eric Gonzalez, Captain Daniel Cruz, Captain Duane Harris), predecessors, successors, attorneys or

assignees.

Plaintiff and his attorneys agree to indemnify, defend and hold Defendants harmless from any demands, suits, or claims that may hereafter be asserted by anyone seeking recovery of damages, including but not limited to any claim made by any spouse, former spouse, child, sibling or other relative of Plaintiff or any assignee, subrogee, or lien holder of Plaintiff, any claim for any medical, hospital, insurance, Medi-care, Medi-caid or statutory liens and/or expense, or any claims for wrongful death, made against Defendants related to or arising out of the occurrence in question in the Lawsuit, or this Settlement, including any claims for contribution, indemnity or claims for Plaintiff's own negligence. Such indemnification shall include reasonable attorneys' fees and defense costs. Such indemnification does not include any fine, penalty or restitution imposed by any court in any related criminal matter, including but not limited to *United States v. Eric Gonzalez, et al.*, CR 13-574-GHK.

13. Prior to payment of any sums set forth in Section 4, the Plaintiff shall execute and return this Agreement along with the Stipulation for Dismissal with Prejudice of the case entitled Gabriel Moses Carrillo v. County of Los Angeles et al., Case No. CV 12-02609. The Defendants will not file the dismissal until the Eight hundred thousand dollars (\$800,000.00) in up-front cash has been paid to the Kaye, McLane, Bednarski and Litt, LLP Trust Account, and the Berkshire Hathaway annuity has been funded on behalf of the plaintiff, Gabriel Moses Carrillo.

14. This Agreement is intended by the Parties as a complete and exclusive statement of the terms of their agreement. It supersedes and replaces all prior negotiations and all agreements proposed otherwise, whether written or oral, concerning the subject matter hereof. Any representation, promise, or agreement not specifically included in this Agreement shall not be binding upon or enforceable against either party. This Agreement is a fully integrated agreement. No promise, inducement, or agreement not expressed herein has been made by the Parties. In signing this Agreement, the Parties acknowledge that they did not rely upon any promise, representation, or any other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement between the Parties and may not be modified by any oral agreement.

15. It is further understood and agreed, that all rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States are hereby expressly waived by, the Plaintiff. Said section reads as follows:

"1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

16. This Agreement shall be governed by and construed, interpreted, implied, and enforced in accordance with the local laws of the State of California, including California law regarding choice of law. This Agreement was mutually and jointly drafted by the Parties and shall not be construed against any party. All disputes involving this Agreement shall be heard in Los Angeles County, California.

17. Should any provision of this Agreement become legally unenforceable, no other provision of this Agreement shall be affected and this Agreement shall be construed as if the Agreement had never included the unenforceable provision.

18. In entering into this Agreement, Plaintiff warrants and represents that he has completely read and fully understand the terms and consequences of this Agreement, that Plaintiff has been given the opportunity to consult with, and has consulted with, legal counsel of Plaintiff's own choosing regarding this Agreement, and that he has been fully informed of all relevant information. Accordingly, Plaintiff warrants and represents that the terms of this Agreement are fully understood and knowingly, freely, and voluntarily accepted by him. This Agreement is intended to be and is final and binding between the Parties.

19. No provision of this Agreement shall be modified or construed by any practice that is inconsistent with such provision, and failure by any party hereto to comply with any provision, or to require the other to comply with any provision, shall not affect the rights of either to thereafter comply or require the other to comply.

20. Plaintiff, agrees to cooperate fully and to execute any and all supplementary

documents and to take all additional actions that may be necessary or appropriate to give full force to the basic terms and intent of this Agreement and which are not inconsistent with its terms.

21. In further consideration for the covenants herein, the Sheriff's Department of the County of Los Angeles will not oppose a filing of a certificate of factual innocence under Penal Code Section 851.8. as it relates to the incident/lawsuit referenced in Paragraph 2.

22. In entering into this Agreement, Plaintiff warrants that he has the sole and exclusive authority to execute this Agreement; and that Plaintiff has not sold, assigned, transferred, or conveyed or otherwise disposed of any of the claims, demands, obligations, or causes of actions referred to in the Agreement.

23. The Parties hereto agree that this Agreement may be executed in counterparts with the same force and effect as if all signatures were set forth on the same instrument. The Parties further agree that signatures in this matter may be obtained by way of facsimile and such facsimile signature shall have the force and effect as original signatures. It is understood and agreed that this agreement shall not be binding on the County of Los Angeles and it shall have no force or effect until it is approved by the Los Angeles County Claims Board and the Los Angeles County Board of Supervisors.

IT IS AGREED.

Dated: April 8, 2014

(Signature)

Gabriel Moses Carrillo

Gabriel Moses Carrillo, Plaintiff

Dated: April ___, 2014

(Signature)

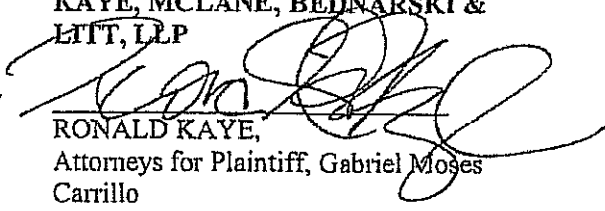
Gabriel Carrillo

(Print name)

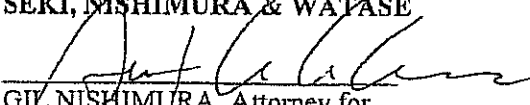
On behalf of the County of Los Angeles

APPROVED AS TO FORM:

Dated: April 8, 2014

**KAYE, MCLANE, BEDNARSKI &
LTTT, LLP**
By 
RONALD KAYE,
Attorneys for Plaintiff, Gabriel Moses
Carrillo

Date: April 8, 2014

SEKI, NISHIMURA & WATASE
By 
GIL NISHIMURA, Attorney for
Defendants, Deputy Pantamitr
Zunggeemoge, Deputy Fernando Luviano,
Deputy Noel Womack, Sergeant Eric
Gonzalez, Deputy Sussie Ayala

Dated: April ____, 2014

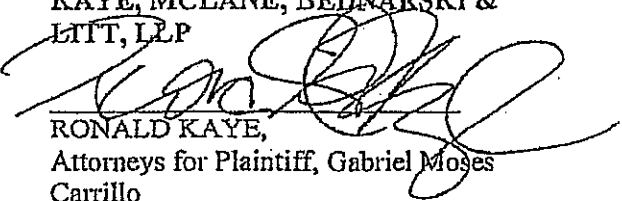
IVIE, McNEILL AND WYATT
By _____
**RICKEY IVIE AND
DAVIDA M. FRIEMAN**
Attorney for Defendants, County of Los
Angeles, Deputy Anthony Reed, Captain
Daniel Cruz, Captain Duane Harris

APPROVED AS TO FORM:

Dated: April 8, 2014

KAYE, MCLANE, BEDNARSKI &
LTTT, LLP

By


RONALD KAYE,
Attorneys for Plaintiff, Gabriel Moses
Carrillo

Date: April , 2014

SEKI, NISHIMURA & WATASE

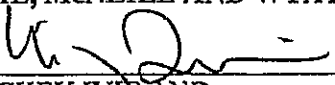
By

GIL NISHIMURA, Attorney for
Defendants, Deputy Pantamitr
Zunggeemoge, Deputy Fernando Luviano,
Deputy Noel Womack, Sergeant Eric
Gonzalez, Deputy Sussie Ayala

May 28
Dated: April , 2014

IVIE, McNEILL AND WYATT

By


RICKEY IVIE AND
DAVIDA M. FRIEMAN
Attorney for Defendants, County of Los
Angeles, Deputy Anthony Reed, Captain
Daniel Cruz, Captain Duane Harris

Qualified Assignment and Release Agreement
In Accordance With
Internal Revenue Code Section 130

"Claimant(s)": Gabriel Carrillo

"Assignor": County of Los Angeles

"Settlement Agreement": _____
[Exact title of Settlement Agreement or Order]

"Governing Law": California

"Assignee": BHG STRUCTURED SETTLEMENTS, INC.

"Annuity Issuer": BERKSHIRE HATHAWAY LIFE INSURANCE COMPANY OF NEBRASKA

"Effective Date": _____

"Payee(s)": As shown in Addendum No. 1, Description of Periodic Payments

Annuity Contract No: _____

This Qualified Assignment and Release Agreement ("Agreement") is made and entered into as of the Effective Date by and among the undersigned parties with reference to the following facts:

- A. Claimant(s) and Assignor are parties to or are otherwise subject to the above-referenced Settlement Agreement under which Assignor has liability to make certain periodic payments to the designated Payee(s) as specified in Addendum No. 1 of this Agreement (the "Periodic Payments"). Where no Payee(s) other than Claimant(s) are shown in Addendum No. 1, it is understood that any references herein to Payee(s) shall apply to Claimant(s).
- B. Assignor and Assignee wish to effect a "qualified assignment" within the meaning and subject to the conditions of Section 130(c) of the Internal Revenue Code of 1986, as amended (the "Code").
- C. This Agreement will be effective contingent upon Assignee's receipt of the full premium to fund the Periodic Payments contained herein.

Now, therefore, in consideration of the foregoing and for other good and valuable consideration, the parties agree as follows:

1. **Assignment and Assumption; Release of Assignor.** Assignor hereby assigns to Assignee, and Assignee hereby accepts and assumes, all of Assignor's liability to make the Periodic Payments. Each Claimant hereby accepts and consents to such assignment by Assignor and assumption by Assignee. Effective on the Effective Date, each Claimant hereby releases and discharges Assignor from all liability to make the Periodic Payments, including the failure of Assignee to make any of the Periodic Payments and/or Annuity Issuer to fund any of the Periodic Payments for any reason whatsoever.
2. **Nature of Periodic Payments.** The Periodic Payments constitute:
 - i. damages (other than punitive damages), whether by suit or agreement, or
 - ii. compensation under a workers' compensation act,on account of personal injury or sickness in a case involving physical injury or physical sickness, within the meaning of Sections 130(c) and 104(a) of the Code.
3. **Extent of Assignee's Liability.** Assignee's liability to make the Periodic Payments shall be no greater than the liability of Assignor as

of the Effective Date. Assignee is not required to set aside specific assets to secure the Periodic Payments. Claimant(s), Payee(s) and Successor Payee(s) have no rights against Assignee greater than those of a general creditor. Assignee assumes no liability other than the liability to make the Periodic Payments. Assignee's liability to make the Periodic Payments shall be unaffected by any bankruptcy, insolvency, liquidation or rehabilitation of Assignor.

4. **Qualified Funding Asset.** Assignee will fund the Periodic Payments by purchasing from Annuity Issuer a "qualified funding asset," as defined in Section 130(d) of the Code, in the form of an annuity contract (the "Annuity") issued by Annuity Issuer and providing for payments corresponding to the Periodic Payments. Assignee shall be designated as the owner of the Annuity. All rights of legal ownership and control of the Annuity shall (subject to paragraph 9 of this Agreement) be and remain vested exclusively in Assignee; provided, however, that the Annuity shall be used by Assignee to fund the Periodic Payments and shall at all times be designated by Assignee on its records as being taken into account, under Section 130 of the Code, with respect to this Agreement. Notwithstanding anything to the contrary contained in this Agreement, neither any Claimant, any Payee, nor any Successor Payee (as defined in paragraph 8 of this Agreement) shall have any rights with respect to the Annuity or the payments thereunder that would cause any amount attributable to the Annuity to be currently includable in the recipient's income or would otherwise affect the determination of when any recipient is treated as having received any payment for income tax purposes, or would otherwise prevent this Agreement from satisfying all of the conditions for a "qualified assignment" within the meaning of Section 130(c) of the Code.

5. **Delivery of Payments.** Assignee may instruct Annuity Issuer to send payments directly to Payee or Successor Payee, or to deliver payments by electronic funds transfer ("EFT") to an FDIC-insured depository institution in the United States for credit (directly or indirectly) to an insured account in the name of such Payee or Successor Payee. Such direction of payments under the Annuity shall not be deemed to afford Claimant, Payee or any Successor Payee any rights of ownership or control of the Annuity.

Each Claimant, Payee and any Successor Payee shall at all times keep Annuity Issuer

apprised of such Claimant's, Payee's or Successor Payee's current mailing address and telephone number and, if Payee or Successor Payee receives payments by EFT, the name, address, ABA routing number and telephone number of the applicable U.S. financial institution and the account name and account number to which the payments are to be credited. Such notices shall be in a form provided by Annuity Issuer and must be received at least thirty (30) days prior to the date payment is due.

6. **Discharge of Liability.** Assignee's liability to make each Periodic Payment to any Payee or Successor Payee designated to receive such payment shall be fully discharged upon:

- i. the mailing of a valid check on or before the due date for such payment to the address of record specified by Payee or Successor Payee; or
- ii. the initiation of an EFT payment on or before the due date for such payment to the United States financial institution account designated by Payee or Successor Payee

If Payee or Successor Payee does not receive a scheduled payment by check, Payee or Successor Payee shall notify Assignee. Upon receipt of such notification, Assignee shall initiate a stop payment action for such check and upon confirmation that such check was not previously negotiated shall promptly mail a replacement check; or

If Payee or Successor Payee does not receive a scheduled EFT payment, Payee or Successor Payee shall notify Assignee. Upon receipt of such notification, Assignee shall initiate a trace for such payment and upon confirmation that such payment was not credited to the account shall promptly issue a replacement EFT payment.

7. **Acceleration, Transfer of Payment Rights.** None of the Periodic Payments and no rights to or interest in any of the Periodic Payments (all of the foregoing being hereinafter collectively referred to as "Payment Rights") can be

- i. Accelerated, deferred, increased or decreased by any recipient of any of the Periodic Payments; or
- ii. Sold, assigned, pledged, hypothecated or otherwise transferred or encumbered, either directly or indirectly, unless such sale, assignment, pledge, hypothecation or other transfer or encumbrance (any

such transaction being hereinafter referred to as a "Transfer") has been approved in advance in a "Qualified Order" as defined in Section 5891(b)(2) of the Code (a "Qualified Order") and otherwise complies with applicable state law, including without limitation any applicable state structured settlement protection statute.

No Claimant, Payee or Successor Payee shall have the power to effect any Transfer of Payment Rights except as provided in sub-paragraph (ii) above, and any other purported Transfer of Payment Rights shall be wholly void, invalid and unenforceable. If Payment Rights under this Agreement become the subject of a Transfer approved in accordance with sub-paragraph (ii) above the rights of any direct or indirect transferee of such Transfer shall be subject to the terms of this Agreement and any defense or claim in recoupment arising hereunder.

8. **Contingent Beneficiaries.** Any Periodic Payments to be made after the death of any Claimant, Payee or Successor Payee shall be made to such party as shall have been designated in, or in accordance with, the Settlement Agreement or, if the Settlement Agreement does not provide for such designation, then to the party designated in conformity with this paragraph 8. Any party so designated is referred to in this Agreement as a "Contingent Beneficiary." If no Contingent Beneficiary is living at the time of the death of a Claimant, Payee or Successor Payee, payment shall be made to the decedent's estate unless otherwise provided in the Settlement Agreement. As used in this Agreement the term "Successor Payee" refers to a Contingent Beneficiary or an estate that has become entitled to receive Periodic Payments following the death of a Claimant, Payee or a Successor Payee. Except where a designation has been made in the Settlement Agreement, no designation or change of designation of a Contingent Beneficiary shall be effective unless such designation or change (i) is requested in a written request submitted to Assignee in accordance with Assignee's customary procedures for processing such requests; and (ii) is confirmed by Assignee. However, Assignee will not be liable for any payment made prior to receipt of the request or so soon thereafter that payment could not reasonably be stopped. Except for a designation that is expressly identified in the Settlement Agreement as irrevocable, any designation of a Contingent Beneficiary shall be deemed to be revocable; and no party

that is designated as a Contingent Beneficiary (other than a party irrevocably designated as a Contingent Beneficiary in the Settlement Agreement) shall, solely by virtue of its designation as a Contingent Beneficiary, be deemed to have any cognizable interest in any Periodic Payments.

9. **Termination of Settlement Agreement / Failure to Satisfy Section 130(c).** If at any time prior to completion of the Periodic Payments, the Settlement Agreement is declared terminated in a final, non-appealable order of a court of competent jurisdiction (or in the case of a workers' compensation settlement, a final order of the applicable workers' compensation authority) or if it is determined in any final order or ruling that the requirements of Section 130(c) of the Code have not been satisfied in connection with this Agreement: (i) the assignment by Assignor to Assignee of the liability to make the Periodic Payments and Assignee's acceptance of such assignment shall be of no force or effect; (ii) Assignee shall be conclusively deemed to be acting as the agent of Assignor; (iii) the Annuity shall be owned by Assignor; (iv) in the event the Settlement Agreement is not terminated, Assignor shall retain the liability to make the Periodic Payments; (v) Assignee shall have no liability to make any Periodic Payments; and (vi) the parties hereto agree to cooperate in taking such actions as may be necessary or appropriate to implement the foregoing.

10. **Governing Law; Binding Effect.**

- i. This Agreement shall be governed by and interpreted in accordance with the internal laws of the state identified as Governing Law above; provided, however, that any Transfer of Payment Rights under this Agreement may be subject to the laws of other states in addition to the state designated above.
- ii. This Agreement shall be binding upon the parties hereto and their respective successors, heirs, executors, administrators and permitted assigns, including without limitation any party asserting an interest in Payment Rights.

11. **Advice, Comprehension of Agreement.** In entering into this Agreement, each Claimant warrants, represents and agrees that Claimant is solely relying on the attorneys and advisors of such Claimant's own choosing, and not upon Assignor, Assignee or their advisors, for advice regarding the legal, government benefits and tax

consequences of this Agreement. Each Claimant further warrants, represents and agrees that the terms of this Agreement have been completely read by and explained to such Claimant and are fully understood and voluntarily accepted by such Claimant. Furthermore, each Claimant hereby releases and discharges Assignor, Assignee, Annuity Issuer, their affiliates and their respective employees and advisors ("Releasees") from any and all claims, rights, damages, costs or expenses of any nature whatsoever that such Claimant now has or may have in the future against such Releasees (i) with respect to the present and future taxation of this Agreement or the Periodic Payments; or (ii) the impact that this Agreement or the Periodic Payments may have on Claimant's eligibility for, and the quantum of, any governmental benefit payments.

12. **Future Cooperation.** All parties agree to cooperate fully and to execute any and all supplementary documents and take all additional actions, which are not inconsistent with its terms, which may be necessary or appropriate to give full force and effect to the terms and intent of this Qualified Assignment and Release Agreement. Pursuant to its obligations under this paragraph 12, and without limitation, Assignor shall promptly provide Assignee with copies of any required court approval with respect to the underlying settlement and executed copies of all required settlement documents.

13. **Description of Periodic Payments.** The Periodic Payments are as set forth in attached Addendum No. 1, which is hereby incorporated in and made a part of this Agreement.

In the event of any conflict between this Agreement and the Settlement Agreement with respect to the Periodic Payments or the assignment made herein, the terms and conditions of this Agreement shall prevail.

This Qualified Assignment and Release Agreement may be signed in one or more counterparts.

Assignor: County of Los Angeles

By: _____

Title: _____


Assignee:

BHG Structured Settlements, Inc.

By: _____
Authorized Representative

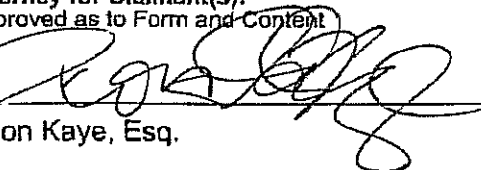
Title: _____

Claimant(s) or Payee(s):

By: 

Gabriel Carrillo

Attorney for Claimant(s):
Approved as to Form and Content

By: 
Ron Kaye, Esq.

Addendum No. 1
Description of Periodic Payments

Payee: Gabriel Carrillo

\$1,410.00 monthly payable for the life of Gabriel Carrillo, beginning July 1, 2014, with 30 years guaranteed. Last guaranteed payment is due on June 1, 2044.

INITIALS

Assignor: _____

Assignee: _____

Claimant or Payee: G.C.

Attorney for Claimant: POK